

Central Hollywood
Coalition
Board of Directors

★★★

Carol Massie
President
McDonald's Restaurants

Roxanna Sassanian
Vice President
Sunset Gower Studios

Duke Gallagher
Treasurer
The Production Group

Elizabeth McDonald
Secretary
The Los Angeles
Film School

Fabio Conti
The Fabiolus Café

Charles Eberly
The Eberly Company

Brian Folb
Paramount Contractors

John Given
CIM

Kitty Gordillo
Hollywood YMCA

Melissa Logan
Amoeba Music

Harout Markarian
Western Diocese of the
Armenian Church

Michael Pogorzelski
AMPAS

Fred Rosenthal
Ametron

Katie Seymour
Sunset + Vine

Michael Smith
Broadreach Capital
Partners

Arthur Stroyman
Kilroy Realty
Corporation

★★★

Sarah Besley
Executive Director

July 31, 2013

TO: Miranda Paster
Office of the City Clerk

FROM: Sarah Besley
Executive Director
Sunset & Vine Business Improvement District



SUBJECT: Second Quarter Report: April 1, 2013 through June 30, 2013

I. Operational Issues

- The board voted to apply a 1% increase in assessments for the 2013/14 year at their meeting on May 14th. The motion was adopted in light of anticipated increases in maintenance costs and administrative fees (in particular office rent, which hasn't increased in over three years). The board has the opportunity to apply a CPI increase (up to 3%) each year in accordance to the MDP. The current CPI is 1.47%.
- The board received notice from the City Clerk's Office that 17 parcels associated with Helen Bernstein High School, which were previously zoned residential, were rezoned and assessed. The anticipated revenue, however, was less than expected due to a change in policy by LAUSD which decreased their payment from 72% to 36%. Staff will continue researching this change in policy and discussing the repercussions with other BIDs.
- Board members signed the approved Whistleblower policy at their May 8th meeting. At the same time the board approved a Conflict of Interest Policy that will be included as an article in the association's bylaws. The policy states that a board member would need to disclose any possible conflicts of interest before any board discussions or actions, but would not have to recuse themselves from a vote.
- In June, the board received copies of the 2012 Financial Review prepared by RBZ. In their report, RBZ found no material modifications should be made to CHCs financial statements to conform to generally accepted accounting principles. The board approved the review unanimously.
- Staff convened a meeting of a working group, comprised of Duke Gallagher, Kitty Gordillo and BID staff, to discuss assessment revenue, tracking and signature practices for the association. The group had their first meeting on June 24th.

- Roxanna Sassanian submitted a letter of resignation from the board in June, as a result of a new job. John Given, from CIM Group, also has resigned from the board, leaving two vacancies to be filled. The Nominating Committee will begin outreach to prospective candidates in July.
- Due to a seismic retrofit of the Taft Building, the staff moved to the temporary office quarters at WeWork, at 17083 Hollywood Boulevard, in mid-May.

II. Security

- Kerry Morrison and Sarah Besley participated in a task force, organized by the Chamber, examining how to reform or address the CUP (and enforcement process) with respect to nightclubs and restaurants in Hollywood. The task force reported their findings at the Chamber's annual retreat in April.
- The board issued a letter of opposition to AB5 (the Homeless Bill of Rights) in April, which would have broadened the definition of "homelessness" and what is considered "harassment" – including outreach to homeless individuals by BID security. The bill was successfully defeated – ultimately landing on the suspension list in June.
- At the June 11th board meeting, Joe Mariani reported that the technology the video surveillance camera system uses has become outdated, and that Metro Video is running out of replacement parts to keep the system operational. Additionally, the main repeater, which was located on top of the Sunset Media Tower, was removed by a construction crew recently and could be difficult to replace. At issue is whether the BID should continue to invest in upgrades to this system. The committee plans to continue this discussion at their August meeting.
- The board approved a five-year contract with Andrews International at their April meeting. This culminated a process that started at in late 2012, and involved the oversight of an ad-hoc security services selection committee. The contract amounts to approximately \$780,000 in the first year and can be adjusted in subsequent years according to service-level needs.
- The following are second quarter security statistics for the Sunset & Vine BID:

	Arrests	Radio Calls	Business Contacts	Citizen Contacts	Homeless Referrals
Q2	80	437	839	1,410	51
YTD	130	888	1,763	2,772	135

III. Marketing

- The BID hosted the second annual Sunset & Dine event at Oscars Outdoors on June 13th. Nearly 15 vendors participated in the event, 350 guests attended, and over \$4,000 in profits were made. The planning group relied predominately on volunteer efforts to produce the event and received a large amount of in-kind contributions from the community. The BID partnered with the Academy of Motion Pictures Arts and Sciences, which screened the movie Sunset Boulevard immediately following the event.
- The HPOA staffed a table at the Annual Chamber Business EXPO on April 2nd.

IV. Streetscape

- The Streetscape Committee participated in a day-long walk-thru with BID staff on April 4th. The group walked the sidewalks in the BID and was joined by Amy Schulenberg, from the City of LA's tree planting program, as well as landscape designer, Troy Silva. Besley presented a slideshow to the Board showing a punch-list of items that the group plans to address in the coming months, including planting in barren stretches of sidewalk, removing sidewalk graffiti, experimenting with new plants in tree-wells and planters, and possibly hiring an engineering firm to draw up plans for a landscaped median on Vine Street – south of Sunset Boulevard.
- The \$5,000 grant from DWP was received in June, allowing the freeway off-ramp clean-up to commence in July.

V. Other

- Guggenheim Partners made a presentation at the April 9th board meeting, seeking support for their concept to work with the city to create a parking district for Hollywood. A subsequent meeting was set up for May 15, 2013 to allow for stakeholders in both the Hollywood and Sunset BIDs to ask more probing questions as to how this would work. At the June 20 meeting, the board voted to approve the concept of a parking district for Hollywood, but remain neutral on endorsing any particular firm or entity.
- Kerry Morrison and Sarah Besley attended the annual strategic planning retreat for the Hollywood Chamber of Commerce on the weekend of April 19 – 21 in Oxnard.
- Sarah Besley and Kerry Morrison met with the representatives from Crescent Heights Development to hear about the proposed project on the parking lots behind the Hollywood Palladium.
- Staff organized a meeting with several property managers on April 25th to discuss security and maintenance issues that impact their properties within the BID.
- Kerry Morrison attended meetings of the California Downtown Association special task force on the issue of general versus special benefits held at the Burbank Hilton on April 23rd and June 5th.
- Staff attended and Kerry Morrison participated in the Chamber's Annual Economic Summit on June 18 and spoke on the topic of "Who Lives in Hollywood?"
- Staff monitored the proposed transfer of the Special Assessments Unit and proposed budget allocations for the newly-formed Economic Development Department. Staff reached out to members of the Budget and Finance Committee and will continue to advocate for staff resources, equipment and software to ensure the BID program continues to run efficiently.
- The Board heard a presentation by a group interested in designating a portion of Vine Street, within the Sunset & Vine BID, as Peru Village. The board did not see a connection between the findings and elected not to endorse the designation on April 9th.
- The board received copies of the LA BID Consortium-sponsored "State of the BIDs" report at their May meeting. The Consortium plans to deliver the report to the council members during their Day at City Hall.
- Sarah Besley organized three meetings as chair of the BID Consortium and helped organize a reception honoring the City Clerk's staff and Commissioner Valerie Shaw on June 18th.

CENTRAL HOLLYWOOD COALITION
PROJECTED CASH FLOWS 2013

8-JUL-13

	ACTUALS						PROJECTIONS						Total
	January	February	March	April	May	June	July	August	September	October	November	December	2013
Receipts													
Balance Forward from 2012	42,172												42,172
Property Assessments	539,975												1,511,522
Receivables, Penalties & Prior Assessments	6,870		135,021	65,182	14,154	461,866	37,633		237,691				1,743
Estimated Interest Income Wells Fargo	13	50	62	60	52	43	69	84	62	80	56	45	708
Estimated Interest Income County & City	931	516				14	23	23	23	23	23	23	1,600
Total Projected Receipts	582,161	7,851	135,601	65,242	14,206	468,766	37,764	106	237,776	103	61	68	1,557,744
Expenditures													
1. Neighborhood Issues													
a. Security	55,530	66,764	57,088	58,065	73,760	58,966	68,443	68,443	68,443	68,443	68,443	68,443	780,228
b. District Maintenance	30,798	30,798	30,798	30,798	30,798	30,798	30,798	30,798	30,798	30,798	30,798	30,798	369,576
c. Beautification							8,425	8,425	8,425	8,425	8,425	8,425	50,477
d. Marketing	703	2,607	300	1,239	653		6,585	6,585	6,585	6,585	6,585	6,585	45,013
2. Management Contract	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
3. Office Expense	25	28	28	28	28	28	281	261	281	281	281	281	1,853
4. Professional Services													
a. Consultants	613			613			1,396	1,396	1,396	1,396	1,396	1,396	10,000
b. Accounting							1,033	1,033	1,033	1,033	1,033	1,033	6,200
c. Legal							167	167	167	167	167	167	1,000
d. Insurance	11,561												11,561
5. Taxes and Fees	29,165												29,165
6. a. Contingency							881	881	881	881	881	881	15,287
b. Delinquency			10,000										30,009
Total Projected Expenditures	141,005	122,697	100,714	103,442	117,739	101,692	130,509	130,509	130,509	130,509	130,509	130,509	1,500,440
Net Cash	441,066	(114,846)	34,888	(18,200)	(103,533)	355,103	(92,754)	(130,403)	107,266	(130,409)	(130,428)	(160,450)	57,304
Cumulative Cash	441,066	326,221	361,109	342,909	239,376	594,479	501,724	371,322	478,588	348,182	217,754	57,304	32,200
Reserve for Beautification	32,200												
Total Cash	473,266												89,504

Gross Estimated Billings \$ 1,458,268.16

Reserve for Beautification

32,200

	Management Plan	2013 Budget	Actuals to Date
	%	\$	%
Security	52.6%	782,233	52.0%
Maintenance	18.5%	282,586	24.6%
Beautification	4.1%	61,518	3.4%
Marketing	2.9%	43,513	3.0%
Social Services	1.6%	24,007	12.0%
Administration, Legal, Accounting	14.2%	213,063	1.9%
Taxes & City Fees	1.7%	25,569	1.1%
Contingency	0.7%	10,442	2.0%
Delinquencies	2.5%	37,511	
Totals	100%	1,500,440	100%

CENTRAL HOLLYWOOD COALITION

CASH FLOW TO DATE AND BALANCE TO DATE

30-JUN-13

	ACTUALS To Date	BALANCE In Budget	TOTAL 2013
Receipts			
Balance Forward	42,172		42,172
Net Property Assessments	1,236,198	275,323	1,511,522
Receivables & Penalties	1,743		1,743
Interest Income Wells Fargo	280	428	708
Interest Income County & City	1,463	137	1,600
Total Receipts and Budgeted Balance	1,281,857	275,888	1,557,744
Expenditures			
1. Neighborhood Issues			
a. Security	369,573	410,656	780,229
b. District Maintenance	184,788	184,788	369,576
c. Beautification		50,547	50,547
d. Marketing	5,501	39,512	45,013
e. Social Services			
2. Management Contract	75,000	75,000	150,000
3. Office Expense	165	1,688	1,853
4. Professional Services			
a. Consultants	1,625	8,375	10,000
b. Accounting		6,200	6,200
c. Legal		1,000	1,000
d. Insurance	11,561		11,561
5. Taxes and Fees	29,165		29,165
6. a Contingency	10,000	5,287	15,287
b Delinquency		30,009	30,009
Total Expenditures and Budgeted Balance	687,378	813,063	1,500,440
Net Cash	594,479	(537,175)	57,304
Reserve for Beautification	32,200		32,200
Total Cash	626,679		89,504